

HB 1332 -- Infrastructure Replacement Surcharge

Sponsor: Schoeller

This bill changes the laws regarding the infrastructure replacement surcharge for water corporations. In its main provisions, the bill:

- (1) Revises the definition for "eligible infrastructure system replacements" to include energy efficiency projects that are in service, used, and useful; do not increase revenues by connecting the infrastructure replacements to new customers; and were not included in the water corporation's rate base in its most recent rate case and defines "energy efficiency" as measures that reduce the amount of energy required to achieve a given end result;
- (2) Adds service lines and meters that have worn out, are in a deteriorated condition, or replaced as part of an order issued by the Missouri Public Service Commission, as well as energy efficiency projects, to the list of projects that are allowable water utility plant projects; and
- (3) Allows, beginning August 28, 2012, any water corporation to file a petition and proposed rate schedules with the commission to establish or change its infrastructure system replacement surcharge (ISRS) rate schedules that will allow for the adjustment of the corporation's rates and charges to provide for the recovery of costs for eligible infrastructure system replacements if its ISRS, on an annual basis, produces ISRS revenues of at least \$1 million or \$10,000 for a small water corporation. Currently, only water corporations providing water service in St. Louis County are allowed to file a petition and proposed rate schedules.